

## **Smart Growth Criteria**

### ***Frequently Asked Questions – 3/24/06***

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Please check back to this site periodically for updates and new information. We expect that as we gain experience with these criteria, the FAQs will change accordingly.

#### **General**

**Q:** Why have the Smart Growth Criteria been developed?

**A:** The sustainability of our development patterns is dependent on the choices the state makes on where and what to invest in. Governor Romney's administration created the 10 Sustainable Development Principles in 2003 as a way to define the fundamentals of sustainability, and state agencies since then have been incorporating the Principles into their decision-making for funding awards. Over time, we have evolved how we use the Principles, and the Smart Growth Criteria are the latest and best method to date. They are being applied to housing and community development projects that seek state funding as a way to promote excellence in land use and project design and to create healthy homes and healthy neighborhoods.

**Q:** Does every public project have to conform to the criteria?

**A:** No, not every project must conform. Housing projects that seek financing, funding or a determination of site eligibility under Chapter 40B from a state agency or a quasi-public partner agency must demonstrate consistency with the criteria. These agencies are DHCD, MassHousing, MHP, CEDAC, and MassDevelopment. Housing programs subject to the criteria are: State and Federal Low Income Housing Tax Credits (LIHTC), Housing Stabilization Fund (HSF), HOME, the Community Development Fund (CDF) and Housing Development Support Program (HDSP) of the Community Development Block Grant (CDBG) program, and Affordable Housing Trust Fund. CEDAC predevelopment funds are also subject.

Project sponsors seeking funding for community and economic development projects through the CDBG programs or through Community Development Action Grant (CDAG) must also demonstrate consistency with the criteria.

**Q:** Are any types of projects exempt?

**A:** Yes, there are a few projects typically funded by the CDBG programs that are exempt. They include: social services projects, microenterprise assistance when construction is not involved, and projects that address a public health and safety threat, such as demolition of a blighted, abandoned building. Facilities, such as senior centers and public facilities, are not exempt although in rare cases a public safety facility might be given an exemption when it addresses an immediate public health and safety risk.

**Q:** How do the criteria apply to projects in my community?

**A:** A developer seeking to obtain a comprehensive permit for a project involving affordable housing will need to demonstrate consistency with the criteria in order to obtain a Site Eligibility Letter (Project Eligibility Letter). To be consistent with the criteria, the developer will need to consider the location, layout, design, and construction of the project. These considerations may impact your community by steering the developer away from some sites and towards others. You may also notice an impact on how projects look, what uses they include, what amenities they are near, and how they interact with the environment, among others. If your city or town government is seeking

funding for a housing or development project, the criteria will apply to the evaluation of the grant or loan proposal. Just as with private developers, the municipal entity sponsoring the project will need to consider siting, design, amenities, and construction in order to minimize the environmental impact of the project and to maximize the impact on neighborhood vitality.

**Q:** Is the criteria system now the only determination of whether a project gets funded?

**A:** No, all regular program criteria still apply to funding decisions. All regulations and policies still apply to determinations of site eligibility also. The Smart Growth Criteria are just one piece of the review process, but they are unique in that they are shared across many programs in exactly the same format.

**Q:** How will I know if my project meets the criteria in time to submit a competitive application for funding?

**A:** The best strategy is to talk to the program manager for your targeted funding program as early as you can. All project sponsors will need to get in the habit of involving funding managers in the contemplation of a project earlier than has been necessary in the past. If your project is evaluated against the criteria during the site eligibility phase of the Chapter 40B process and you will seek state funding/financing, the project does not need to be evaluated again when the application is submitted for funding. In this scenario, the original determination will hold throughout the life of the project as long as follow-through on promised action or design elements can be demonstrated (for instance, funding managers may ask for proof that a project has met the Energy Star standard). If a project has changed substantially from its original concept, then it will need to be re-evaluated against the criteria the next time it is reviewed for funding.

**Q:** What if my project will use multiple funding sources? Will I get different answers from each program?

**A:** Many projects do get financing from multiple sources that are subject to the criteria. Projects will be evaluated only once, during the first application for funding. A record of the decision will be made available to all program managers for their use in reviewing the same project. This system should ensure that a project does not get a different determination from different program managers. Program managers have access to each other and will be able to discuss the results of prior reviews to ensure consistency. Guidance will be available from supervisors and DHCD's policy staff when needed.

**Q:** What if I don't agree with the determination that is made on my project? Do I have any recourse?

**A:** There is no distinct appeals process for these criteria. Issues and questions should be directed to the appropriate program manager and will be handled in the same manner as any other issue related to a program application. If the program manager does not resolve the issue to your satisfaction, you may pursue the issue with the manager's supervisor and so on.

**Q:** Is it possible to get credit for meeting more than one Principle using the same aspect of the project, e.g. creating affordable housing or creating jobs for low-income people?

**A:** Yes, "double dipping" is allowed. For instance, the creation of jobs would get credit under Increase Job Opportunities and might also get credit under Plan Regionally (e.g. if a regional plan identifies the creation of this type of job as a goal) and Be Fair (e.g. if the jobs are for low-income workers and contribute to social justice or neighborhood improvement). However, a project sponsor should never rely on a single aspect of a

project to meet the threshold number of Principles under Method 2. Smart growth is about combining multiple good practices, and a single good aspect to a project might make it worthwhile but it doesn't make it smart growth.

**Q:** How do DHCD and the other agencies intend to monitor their decisions for consistency? Will the results of decisions be made public?

**A:** DHCD and its partner agencies have created an evaluation form specific to the Smart Growth Criteria that will be used by all application reviewers. Every program manager will be able to access the review forms of other programs to see how decisions are being made and to check their own consistency. We are evaluating ways to make the decisions public; in all likelihood, we will post them in some manner on DHCD's web page.

### **Method 1: Redevelop First**

**Q:** Does demolition of an existing structure and reuse of the site constitute Redevelop First?

**A:** It depends. Context is critical to making a determination when demolition is involved. The considerations are how large the demolished structure was (i.e. how much of the site it occupied) and how much previously undisturbed land on the site will be disturbed for the new construction. For example, if the single building on a multi-acre site takes up only a small portion of the site, that project cannot be considered Redevelop First under the option of redevelopment or rehabilitation to an existing structure. If that same site is close to amenities (shopping, transit, services) or is in a municipally-approved growth center however, the project might still meet Redevelop First under the second option.

**Q:** Does moving an existing building to a new site constitute Redevelop First?

**A:** Again it depends. The first option under Redevelop First is intended to address clear cases of redevelopment, i.e. projects involving existing structures in their current locations. The second option addresses new construction and is intended to include development of previously undeveloped sites. The second option is applicable in the case of moving an existing structure because the structure is going to a new site. The context and characteristics of the project must be evaluated to determine how much undisturbed land will be developed (it might make a difference if the building is replacing an existing building) and how close the new site is to amenities or whether it is in a municipally-approved growth center.

**Q:** What does walkable mean?

**A:** There are multiple ways to evaluate whether a location is walkable to nearby amenities, such shopping, employment, etc. The primary considerations are how close the site is to the amenities, how accessible the path is between the two locations, and what population is being served by the project. Typically, sites that are within 1/4 mile of amenities are within a walkable radius, but distances of up to 1/2 mile might be reasonable. If the route is not bisected by a highway or other obstacle and there is a sidewalk or pedestrian path or one will be provided by the developer, then the route can be considered comfortably passable. A shorter distance or a special type of route (e.g. ADA compliant) might be necessary to achieve walkability if the population served by the project is elderly, special needs, or families with young children.

The term "walkable" is also used in the context of the scale of the development, how close the amenities are to the sidewalk (e.g. not fronted by a parking lot), and what

pedestrian conveniences are included along the route, such as benches, lighting, etc. These elements are important in the overall context of walkability and will be encouraged where feasible, but they will not be required to meet the intent of the Smart Growth Criteria.

**Q:** What is a retail, services or employment center in option b under Redevelop First?

**A:** There is no single answer to this question. What constitutes a center for shopping, employment, or services will depend on the context. For instance, a rural employment center will have very different characteristics than a suburban or urban center. In general, a center in this sense will offer multiple options for the customers (more than one store or service and/or a combination of stores and services) or will employ more than just a handful of people. Centers that serve a regional audience and/or offer a mix of services, shopping, and employment are very likely to meet the intent of this item.

**Q:** What qualifies as a municipally-approved growth center?

**A:** There are many types of areas that can be considered a municipally-approved growth center. A portion of a town or city designated in a locally adopted plan (e.g. a master plan or housing plan) for development is one example. Other qualifying locations are areas designated in an urban renewal plan, a Commercial Area Revitalization District (CARD), a District Improvement Financing (DIF) district, a Chapter 40R district, etc. Growth centers might also be identified in a regional or state plan and will qualify if the municipality has approved the plan or otherwise agreed with the designation.

## **Method 2**

**Q:** Are there ways to demonstrate local support for a housing project besides having a letter from the CEO or using municipal land or funding for the project?

**A:** Yes, there are several other acceptable ways to demonstrate support, such as: minutes from a board of selectmen or city council meeting in which the project was discussed and endorsed; reference to a locally adopted plan, such as a Planned Production plan or a master plan, in which the project is specifically mentioned as part of a strategy to increase affordable housing; a variance or special permit for the project granted by the zoning board of appeals or other local permit-granting authority.

## ***Concentrate Development***

**Q:** What is neighborhood blight?

**A:** Blight is a term used in DHCD's community development programs, predominantly CDBG and CDAG. CDAG uses the terms "blighted" and "decadent" as defined in MGL Chapter 121A, which deals with urban redevelopment. For more information, go to <http://www.mass.gov/legis/laws/mgl/121a-1.htm>. CDBG also uses the definitions from Chapter 121A and has the following requirements:

1. The area must meet the state's definition of deteriorated, substandard, blighted or decadent areas. Refer to Massachusetts General Laws Chapters 121A and 121B. Applicants must show that the conditions in the target area are consistent with these state definitions. The Chief Elected Official or other authorized official must determine, in writing, that the area is in disrepair or there is a pattern of recognizable disinvestments.
2. Throughout the area, there must be a substantial number of deteriorated or deteriorating buildings or public improvements or both. DHCD has determined that at least 25% of the

buildings in a target area be deteriorated or deteriorating (receiving a rating of fair or poor on the inventory). Projects seeking to qualify under slums and blight based solely on deterioration of public improvements must document that the public improvements throughout the area are in a general state of deterioration. Deterioration of a single element of infrastructure, such as a road or a sidewalk, does not meet this criterion.

### ***Restore and Enhance the Environment***

**Q:** What is an historic landscape?

**A:** There are many possibilities, including a local historic district; a site registered on the state or national register of historic places; and a heritage landscape as defined by the Department of Conservation and Recreation (DCR). More information on heritage landscapes is available at

<http://www.mass.gov/dcr/stewardship/histland/Inventoryprog.htm>. More information on historic sites and districts is available at <http://www.sec.state.ma.us/mhc/mhcidx.htm>. The Massachusetts Historical Commission can help you identify where state and national sites are. To find out if your site is located in a local historic district, you will need to contact the local historical commission or city/town government.

### ***Be Fair***

**Q:** What constitutes concerted public participation? Does a town meeting vote count?

**A:** Most funding programs have some kind of public participation requirement or preference that typically consists of one or two public meetings or hearings to discuss the proposed project. To get credit under Be Fair using public participation, a project sponsor should go beyond those requirements and get community or neighborhood residents directly involved, such as by having them participate in the design of the project, seeking their feedback in venues other than a public hearing, partnering with a neighborhood organization, etc. A vote of town meeting in favor of a project would count. A vote by a body politic less than town meeting, such as a planning board or city council, would not count since it involves relatively few individuals.

**Q:** What are “Universal Design” and “visitability”?

**A:** Universal Design is a term that means a home is designed to be comfortably used by any person, regardless of size, age, or ability. Universal Design typically incorporates features such as wide doorways, no-step entryways, and wide hallways. More information available at [http://www.aarp.org/families/home\\_design/universaldesign/](http://www.aarp.org/families/home_design/universaldesign/) and at <http://www.universaldesign.com>.

Visitability is a term meaning a home is designed so that someone with a disability can easily visit or live in it. Visitable homes typically have no-step entryways, wide doorways, wide hallways, and at least a half bath on the first floor. More on visitability is available at <http://www.concretechange.org/>.

### ***Conserve Resources***

**Q:** What is Energy Star? What constitutes meeting Energy Star guidelines? Is it enough to install Energy Star appliances in my project?

**A:** Energy Star is the labeling system developed by EPA in collaboration with the building industry that certifies homes that are at least 30% more energy efficient than the requirements in the 1993 national Model Energy Code or 15% more efficient than state

energy code, whichever is more rigorous (in Massachusetts, the 15% above state code standard applies). It rates consumer products and buildings using one of two systems: the Home Energy Rating System (HERS) or the Builder-Option Package (BOP). Energy savings are based on heating, cooling, and hot water energy use, so it is not enough to simply install efficient appliances. In order to meet the Energy Star threshold and to meet our criteria, projects must incorporate development-wide efficiency into the building envelope(s), windows, and ventilation systems, as well as the heating, cooling, and water heating systems. The Energy Star label is applicable only to single-family homes and multi-family buildings up to three stories, and the performance of the buildings must be verified by a third party, such as Conservation Services Group (CSG). More information is available at <http://www.energystar.gov>.

**Q:** If my building(s) will be 4 or more stories, what energy efficiency standard do I have to meet?

**A:** Standards are in development at both the national and state levels that will apply to mid and high rise residential structures. Stay tuned for more information on those. In the meantime, developers wishing to get credit for this option must achieve energy efficiency above the state energy code through one of the following options. First, the developer may work with the utilities that will serve the development, which are prepared to offer services and incentives either on a programmatic or case-by-case basis. NStar has a program specifically created for this purpose called the Construction Solutions Program. If your project is in the NStar service area, contact Sam Nutter at 781-441-8715 for more information. Second, if a DHCD subsidy is used, the development may follow the multi-family standard created for DHCD's use. It is currently contained in the QAP for the Low-Income Housing Tax Credit program. DHCD's Housing Development Division can answer questions about this standard, 617-573-1300.

**Q:** What benefit is there to the developer to go beyond the state energy code?

**A:** Builders and developers are eligible for a number of rebates and incentives offered by the investor-owned utilities, like NStar, and the Massachusetts Technology Collaborative (when renewable energy systems are used). Rebates are available on a per-item basis for windows, doors, appliances, and the like. In some cases, tax credits are available from the federal government. Additional information on incentives can be found by going to <http://www.energystar.gov>, <http://www.masstech.org>, and by talking to your utility service provider.

Other benefits include the caché that an energy efficient or "green" project carries in the marketplace, which may add value by making your project very appealing to buyers or renters. Also, for developers and managers of rental properties, highly efficient buildings offer lower operating and maintenance costs than less efficient developments.

**Q:** Doesn't meeting Energy Star or another standard add cost to a project? Will money be made available to cover the extra costs associated with energy efficiency activities or other ways that project sponsors have to comply with the criteria?

**A:** There is no easy answer to this question because incremental costs associated with the criteria will have to be judged on a case-by-case basis. In many cases, good design and planning results in a mix of cost increases and cost savings that end up balancing each other out. Coupled with rebates available from the utilities, there might be no incremental cost increase at all. In other cases, the cost increase might be worth it for reasons unrelated to the design itself: such as improved marketing or the pre-selling of units before the marketing happens. Lower marketing costs might alleviate the higher

incremental costs. For cases where the incremental cost increase cannot be balanced by savings within the project, DHCD and our partner agencies are exploring ways to make additional funds available. It is likely that additional funding will only be available to cover the costs associated with energy efficiency and renewable energy systems.

**Q:** Will DHCD increase its per unit cap to accommodate the increased costs?

**A:** The per unit cap is a matter of policy specific to each program, therefore questions and concerns about how the cap affects your project should be directed to the program you are seeking or to the Housing Development Division, 617-573-1300.

**Q:** What is Low Impact Development (LID) under Conserve Resources?

**A:** The basic idea behind LID is that it reduces water runoff on developed sites by using less expensive techniques than conventional engineering. Common techniques include reduced impervious area (narrow roads and smaller parking areas), rain barrels, grassed filter strips, and vegetated swales. For more information on LID, go to <http://www.mass.gov/envir/lid/default.htm>.

### ***Expand Housing Opportunities***

**Q:** What does it mean to expand the term of affordability?

**A:** This item simply deals with projects that address an expiring use restriction.

### ***Provide Transportation Choice***

**Q:** What does rural mean?

**A:** There are many definitions for rural in use in the state, and we have not chosen one over the other. The definition that applies to a project will depend on requirements of the funding program and/or context of the project. Definitions in use typically rely on total population or population density of a municipality. These definitions should be used only as a guideline however, as there may be parts of non-rural municipalities that are very rural in nature.

**Q:** What is a transportation corridor in a rural area?

**A:** What constitutes a transportation corridor will depend on the context of the project. Generally, if a project is proximate to a state numbered route, that route can be considered as a transportation corridor. Another general guideline is what classification the road has been given under the MassHighway standards: routes with designations 1 through 4 are major routes. Other considerations are what amenities (jobs, services, shopping, etc.) are located along the route and how far away those amenities are from the project site. Amenities that are many miles away from a site are less likely to qualify the route than those within fewer miles.

### ***Increase Job Opportunities***

**Q:** What is meant by “permanent jobs” in the first two bullets under Increase Job Opportunities?

**A:** Permanent jobs may be full-time or part-time but may not be seasonal or temporary. The construction jobs created by a housing project do not constitute permanent jobs. Indirect job creation (e.g. lumber industry jobs) attributed to the construction of buildings also do not count. Jobs that are credited here must be on-site or otherwise directly tied

to the development, such as in the case of management and/or maintenance jobs established as part of a rental housing project.

### ***Plan Regionally***

**Q:** What constitutes a municipally supported regional plan? What types of regional plans are valid? Do any exist?

**A:** There are a few types of regional plans we are aware of that might be endorsed or adopted by individual municipalities and be applicable to housing or community development. They include policy plans done by the Regional Planning Agencies (RPAs), economic development strategies done by the Regional Competitiveness Councils (RCCs) or the RPAs, transportation plans done by the Metropolitan Planning Organizations (MPOs), and environmental plans such as watershed or heritage landscape plans. In order for a regional plan to be municipally supported, there must be evidence that the city or town has voted to accept the plan, participated in the creation of the plan, or otherwise endorsed the strategies in the plan. The first point of contact for identifying an appropriate regional plan is the RPA. For contact information, go to <http://www.mass.gov> and under "State Government" on the left, click on "Regional Planning Agencies".

**Q:** What is a regional Analysis of Impediments to Fair Housing?

**A:** The Federal Housing & Urban Development (HUD) agency requires that entitlement recipients (municipalities that get HOME funding directly from HUD) and states complete an Analysis of Impediments to Fair Housing Choice (AI) in order to be certified that they are affirmatively furthering fair housing. According to HUD, the AI is a review of impediments or barriers that affect the rights of fair housing choice. Impediments to fair housing choice are defined as any actions, omissions, or decisions that restrict, or have the effect of restricting, the availability of housing choices based on race, color, religion, sex, disability, familial status, or national origin. More information on what constitutes AI is available at <http://www.hud.gov/offices/ftheo/promotingfh.cfm>.

Regional AI are done by HOME Consortia, of which there are 8 in the state. The list of where they are, what communities they cover, and how to contact them is available at [http://www.mass.gov/dhcd/components/housdev/want/dvlper\\_r/home.htm](http://www.mass.gov/dhcd/components/housdev/want/dvlper_r/home.htm). Scroll to the bottom of the page and click on "HOME Entitlement and Consortium Communities".